- (d) If a proposed right-of-way crosses any lands not subject to disposition by mineral leasing or restricted from oil and gas activities, it shall be rejected by the Regional Supervisor unless the Federal Agency with jurisdiction over such excluded or restricted area gives its consent to the granting of the right-of-way. In such case, the applicant, upon a request filed within 30 days after receipt of the notification of such rejection, shall be allowed an opportunity to eliminate the conflict.
- (e)(1) If the application and other required information are found to be in compliance with applicable laws and regulations, the right-of-way may be granted. The Regional Supervisor may prescribe, as conditions to the right-of-way grant, stipulations necessary to protect human, marine, and coastal environments, life (including aquatic life), property, and mineral resources located on or adjacent to the right-of-way.
- (2) If the Regional Supervisor determines that a change in the application should be made, the Regional Supervisor shall notify the applicant that an amended application shall be filed subject to stipulated changes. The Regional Supervisor shall determine whether the applicant shall deliver copies of the amended application to other parties for comment.
- (3) A decision to reject an application shall be in writing and shall state the reasons for the rejection.

#### § 250.1017 Requirements for construction under pipeline right-of-way grants.

- (a) Failure to construct the associated right-of-way pipeline within 5 years of the date of the granting of a right-of-way shall cause the grant to expire.
- (b)(1) A right-of-way holder shall ensure that the right-of-way pipeline is constructed in a manner that minimizes deviations from the right-of-way as granted.
- (2) If, after constructing the right-ofway pipeline, it is determined that a deviation from the proposed right-ofway as granted has occurred, the rightof-way holder shall—
- (i) Notify the operators of all leases and holders of all right-of-way grants

- in which a deviation has occurred, and within 60 days of the date of the acceptance by the Regional Supervisor of the completion of pipeline construction report, provide the Regional Supervisor with evidence of such notification; and
- (ii) Relinquish any unused portion of the right-of-way.
- (3) Substantial deviation of a rightof-way pipeline as constructed from the proposed right-of-way as granted may be grounds for forfeiture of the rightof-way.
- (c) If the Regional Supervisor determines that a significant change in conditions has occurred subsequent to the granting of a right-of-way but prior to the commencement of construction of the associated pipeline, the Regional Supervisor may suspend or temporarily prohibit the commencement of construction until the right-of-way grant is modified to the extent necessary to address the changed conditions.

# § 250.1018 Assignment of pipeline right-of-way grants.

- (a) Assignment may be made of a right-of-way grant, in whole or of any lineal segment thereof, subject to the approval of the Regional Supervisor. An application for approval of an assignment of a right-of-way or of a lineal segment thereof, shall be filed in triplicate with the Regional Supervisor.
- (b) Any application for approval for an assignment, in whole or in part, of any right, title, or interest in a rightof-way grant must be accompanied by the same showing of qualifications of the assignees as is required of an applicant for a ROW in §250.1015 of this subpart and must be supported by a statement that the assignee agrees to comply with and to be bound by the terms and conditions of the ROW grant. The assignee must satisfy the bonding requirements in 30 CFR 550.1011. No transfer will be recognized unless and until it is first approved, in writing, by the Regional Supervisor. The assignee must pay the service fee listed in §250.125 of this part for a pipeline ROW assignment request.
- (c) Notwithstanding the provisions of paragraph (b) of this section, the requirement to pay a filing fee under

### § 250.1019

that paragraph is suspended until January 3, 2006.

## § 250.1019 Relinquishment of pipeline right-of-way grants.

A right-of-way grant or a portion thereof may be surrendered by the holder by filing a written relinquishment in triplicate with the Regional Supervisor. It must contain those items addressed in §\$250.1751 and 250.1752 of this part. A relinquishment shall take effect on the date it is filed subject to the satisfaction of all outstanding debts, fees, or fines and the requirements in §250.1010(h) of this part.

### Subpart K—Oil and Gas Production Requirements

GENERAL

## § 250.1150 What are the general reservoir production requirements?

You must produce wells and reservoirs at rates that provide for economic development while maximizing ultimate recovery and without adversely affecting correlative rights.

WELL TESTS AND SURVEYS

### § 250.1151 How often must I conduct well production tests?

(a) You must conduct well production tests as shown in the following table:

You must conduct:

continuous production

(1) A well-flow potential test on all new, recompleted, or reworked well completions within 30 days of the date of first

(2) At least one well test during a calendar half-year for each producing completion, And you must submit to the Regional Supervisor:

Form BSEE–0126, Well Potential Test Report, along with the supporting data as listed in the table in §250.1167, within 15 days after the end of the test period.

Results on Form BSEE-0128, Semiannual Well Test Report, of the most recent well test obtained. This must be submitted within 45 days after the end of the calendar half-year.

- (b) You may request an extension from the Regional Supervisor if you cannot submit the results of a semi-annual well test within the specified time.
- (c) You must submit to the Regional Supervisor an original and two copies of the appropriate form required by paragraph (a) of this section; one of the copies of the form must be a public information copy in accordance with §§ 250.186 and 250.197, and marked "Public Information." You must submit two copies of the supporting information as listed in the table in §250.1167 with form BSEE-0126.

### § 250.1152 How do I conduct well tests?

- (a) When you conduct well tests you must:
- (1) Recover fluid from the well completion equivalent to the amount of fluid introduced into the formation during completion, recompletion, reworking, or treatment operations before you start a well test;
- (2) Produce the well completion under stabilized rate conditions for at least 6 consecutive hours before beginning the test period;

- (3) Conduct the test for at least 4 consecutive hours:
- (4) Adjust measured gas volumes to the standard conditions of 14.73 pounds per square inch absolute (psia) and 60 °F for all tests; and
- (5) Use measured specific gravity values to calculate gas volumes.
- (b) You may request approval from the Regional Supervisor to conduct a well test using alternative procedures if you can demonstrate test reliability under those procedures.
- (c) The Regional Supervisor may also require you to conduct the following tests and complete them within a specified time period:
- (1) A retest or a prolonged test of a well completion if it is determined to be necessary for the proper establishment of a Maximum Production Rate (MPR) or a Maximum Efficient Rate (MER); and
- (2) A multipoint back-pressure test to determine the theoretical open-flow potential of a gas well.
- (d) A BSEE representative may witness any well test. Upon request, you must provide advance notice to the Regional Supervisor of the times and dates of well tests.